



**MINUTES OF THE MEETING OF THE
LEON VALLEY ECONOMIC DEVELOPMENT CORPORATION**

February 26, 2014

The regular meeting of the Leon Valley Economic Development Corporation (LVEDC) convened at 6:38 p.m. on **Tuesday, February 26, 2014**, in the City Council Chambers at 6400 El Verde Road, Leon Valley, Texas.

I. Call to Order and Determine if Quorum is Present

Present were Board Secretary David Gannon, Board Treasurer Mike McCarley, Board Member Rudy Garcia, Board Member Claude Guerra, and Board Member Dr. Georgia Zannaras. Not present was Board President Stephen Ynostrosa, who was excused due to illness. Also present were Steven Peña, Board Attorney, Economic Development Director Claudia Mora, acting as staff support and recording secretary, and Economic Development Assistant Rene' Raynes. Board Secretary Gannon was designated as the presiding officer by the present Board Members.

Due to scheduled presentations, and citizens and interested parties present at the meeting, the presiding officer suggested that the Closed Session be conducted at the end of the meeting. For the purposes of the minutes, the reporting of the LVEDC Board Meeting and actions taken during the meeting will be in the order of the posted Agenda.

II. Closed Sessions in Accordance with the Texas Government Code

The City of Leon Valley Economic Development Corporation Board did not convene in Closed Session to discuss the following item as posted on the agenda:

A. Tex. Gov't Code Ann. § 551.071(1), (2) update regarding Little v. Leon Valley EDC.

Board Attorney Peña commented that there was nothing significant to report. He felt that he and/or Ms. Gonzales, the attorney assigned to the case, would have something to report at the next LVEDC Board meeting.

III. Citizens to be Heard

There were no citizens to be heard.

IV. Consider LVEDC Minutes – January 22, 2014

Board Treasurer McCarley moved to approve the minutes of January 22, 2014. Board Member Garcia seconded the motion. The motion carried by voice vote.

V. Financial Report by LVEDC Treasurer and Consideration

Board Treasurer McCarley reported that as of 2:00 p.m., the LVEDC bank balance was \$561,741.58. The funds were \$543,270.86 in the money market account and \$18,470.72 in the checking account. He reported that the checks written for the month had not been processed.

VI. Presentation of Leon Valley Events – 4th of July Celebration and Jazz Festival

Staff Liaison Mora introduced Councilman Paul Biever and Councilman Ricardo Ruiz. Councilman Biever informed the Board that as a result of the 2013 Town Hall Meeting, a Festival Subcommittee had been appointed by the City Council to discuss and develop signature events to promote Leon Valley. The subcommittee decided to enhance the 4th of July Celebration and establish a jazz festival. Both events are anticipated to draw people from the area to Leon Valley.

Plans include for the 4th of July Celebration to be expanded to an all-day event. In 2014, the event will include a fireworks show. The Subcommittee is working with MDLG + Company to organize and conduct the event. MDLG + Company will do the project as a "turnkey" operation.

Councilman Ruiz explained that the Jazz Festival is scheduled to be a two-day event October 4 and 5, 2014. It will also be a "turnkey" operation conducted by Mr. Anthony Tobias, who has experience with the San Antonio Jazz Festival. Councilman Ruiz introduced Mr. Tobias, who gave details about the jazz festival. Mr. Tobias stated that he was lining up acts for the festival. He had already arranged for local celebrities to be part of the event. Mr. Tobias informed the LVEDC Board that 25 children from St. Peter – St. Joseph Children's Home would be hosted or sponsored at the event. Mr. Tobias also showed the Board the rendering of the event poster.

The Board asked questions of the Councilmen and Mr. Tobias regarding dates of the events, use of the new City logo, setting, booths, etc. Councilman Biever responded that the 4th of July Celebration would be held at Rimkus Park and the Community and Conference Centers area. The Jazz Festival, scheduled for October 4th and 5th, will be held at Rimkus Park. Both events will have food booths. Mr. Tobias commented that arrangements were being made to use the new logo on the Jazz Festival posters and advertisements. The Board asked what the City of Leon Valley's specific responsibilities for the event would be. Mr. Tobias commented that the City would be responsible for the daytime security and providing the venue at the Jazz Festival. Mr. Tobias also informed the Board that he was bonded for \$1 million.

Discussion ensued regarding the neighborhoods being informed of the potential impact the events would have on the immediate area. Suggestions were made to involve the neighborhoods. Councilman Biever commented that the Festival Subcommittee had begun the process.

Councilman Biever asked for the LVEDC to co-sponsor both events at \$10,000. The Board commented that the proposed events were good and appeared to be well-planned. Board Secretary Gannon commented that if the LVEDC Board Members were in agreement, then the co-sponsorship item would be on the next meeting's agenda.

VII. Discussion and Consideration of Action on a Resolution by the Leon Valley Economic Development Corporation (LVEDC) Regarding the Expenditure of LVEDC Funds under the Façade and Signage Program to The Busted Knuckle (Tim Hough, Owner) in the amount of \$2,500

Board Secretary Gannon opened the Public Hearing at 7:09 p.m. Staff Liaison Mora introduced Mr. Tim Hough, owner of The Busted Knuckle. Mr. Hough briefly described his project and request. Ms. Mora proceeded to present Mr. Hough's application. Board Member Garcia asked Mr. Hough to provide an estimate of sales tax generated by his automotive repair business. Mr. Hough replied that in years past he averaged approximately \$1,000 to \$1,200 per quarter based on a smaller operation.

With no further questions or discussion, the Public Hearing was closed at 7:18 p.m.

Board Member Guerra moved to approve the expenditure of funds under the Façade and Signage Program to The Busted Knuckle (Tim Hough, Owner) in the amount of \$2,500. Board Member Zannaras seconded the motion. The motion carried by voice vote.

VIII. Election of a Board Vice President

Board Treasurer McCarley moved to table the election of a Board Vice President. Board Member Guerra seconded the motion. The motion carried by voice vote.

IX. Discussion and Possible Action on a Resolution Authorizing the Opening of a New Bank Account and Issuance of a Debit Card for the Account to be Specifically Used for Training and Conference Registrations, Travel Arrangements and Supplies for the LVEDC Board

Ms. Mora provided the Board with information on the options researched for a credit card for the LVEDC. She reported that Frost Bank offered two (2) alternatives to a business credit card. One was a gift card that would be for a specific dollar amount and could not be reloaded after the funds were spent. The second option was for the Board to authorize and open another account and request a debit card to be issued for the account. The account could be for any amount but to avoid fees and penalties, a minimum of \$3,000 would need to be in the account at all times.

Board discussion ensued. Questions regarding the use of the card, account balance, and account monitoring were asked by the Board members. Ms. Mora reported that the card would only be used for training and conference registrations, travel arrangements, and purchases including snacks and supplies for the Board. Ms. Mora recommended that the new account balance not exceed \$10,000. As for the monitoring and reporting on the account, Ms. Mora suggested that the monthly financial information to the Board include a separate monthly expenditures report for the new account.

Board Treasurer McCarley asked Board Attorney Peña if there was any legal reason that the Board could not or should not have a separate account and debit card for the uses presented by staff. Mr. Peña said that there was not a problem with the Board having another account and a debit card for that account.

Board Member Garcia moved that the LVEDC Board authorize opening a new bank account and the issuance of a debit card for that account, and that the account be specifically used for training and conference registrations, travel arrangements and purchasing of supplies for the LVEDC, and that the balance limit on the account be \$10,000. Board Member Guerra seconded the motion. The motion carried by voice vote.

X. Discussion and Possible Action Regarding the Approval to Expend Up to \$4,925 in LVEDC Funds for the Purchase of an Integrated Media Package for Participation in Texas Wide Open For Business

Discussion on this item included a recap of the previous meeting's discussion. The Board recalled that Aaron Farmer of The Retail Coach had commented that ad placement for the LVEDC would be best in a business journal publication like the Dallas Business Journal or the Houston Business Journal. Staff commented that there had not been any inquiries from businesses interested in locating in Leon Valley based on the ad placed in the 2013 edition of Texas Wide Open for Business.

Discussion ensued on the best use for funds in marketing the city and the LVEDC. Ideas like creation of a website, and/or development of a trade show booth would be uses with which staff could actually track inquiries and locations. In addition, the Board discussed expending funds on marketing and promotion activities which would target retail businesses and developers.

Board Member Garcia moved that the LVEDC Board NOT approve the proposed resolution authorizing the expenditure of LVEDC funds to purchase an integrated media package for participation in Texas Wide Open for Business. Board Member Zannaras seconded the motion. The motion carried by voice vote.

XI. Discussion and Possible Action Regarding the Approval to Expend Up to \$5,000 in LVEDC Funds for the Development of an Ad for Texas Wide Open for Business and Other Media Outlets

With the Board decision not to approve the previous agenda item, discussion ensued on whether the development of an ad was needed for any media outlet. The Board inquired about the Advertising line item in the LVEDC budget and what was considered "advertising". Staff replied that her interpretation of "advertising"

was materials or activities designed to promote the LVEDC and its programs and the city. Included in that interpretation were ad development and placement.

Discussion ensued on interpretation of "advertising" and "promotion". Also discussed was the LVEDC taking a more pro-active approach to promoting its programs and the city through a website for the LVEDC and a small booth set up for conference and trade shows like ICSC in Dallas and Las Vegas. The Board discussed increasing the Advertising budget to be able to do some of the ideas discussed.

The Board directed staff to prepare a report on advertising expenditures to date as well as projected expenditures. In addition, the Board asked that Drew Advertising expand their proposal for services to include website design and implementation, and development of a trade show booth. Ms. Mora said she would ask The Retail Coach to do the same since Mr. Farmer indicated that TRC has staff that can develop websites for EDCs.

The Board also asked staff to check with other EDCs on how they allocate advertising and promotion funds.

Board Treasurer McCarley moved to table this agenda item until the next meeting. Board Member Guerra seconded the motion. The motion carried by voice vote.

XII. Presentation, Discussion and Possible Action Regarding the Final 2013 IRS Form 990

Staff reported that Jorge Herrera, CPA CIA had not completed the final return due to the lack of certain documentation from the LVEDC. The return should be completed by the next Board meeting. It is a requirement of the IRS that the final return be presented to the Board for review and acceptance prior to filing. Ms. Mora reminded the Board that an extension had been filed prior to the February 15 deadline. The final return is due May 15.

XIII. Discussion and Action Regarding the Approval to Expend approximately \$1,036.56 in LVEDC Funds for the Expenses Incurred by The Retail Coach to Produce The Retail Economic Development Plan for Leon Valley

Ms. Mora reported that the agreement with TRC included the reimbursement of expenses incurred during the agreement period. Including making the final installment payment to complete the \$30,000 obligation for the services performed, the LVEDC must pay \$1,036.56 for the expenses incurred by TRC in producing the Retail Economic Development Plan. Board Member Guerra moved to approve the resolution. Board Member Garcia seconded the motion. The motion carried by voice vote.

XIV. Discussion and Possible Action Regarding the Surety Bond Coverage with Victor O. Schinnerer & Company, Inc.

Staff reported that the annual payment of \$280 was due to Victor O. Schinnerer & Company, Inc. for surety bond coverage. Three Board Members needed to sign applications since they have replaced original Board Members covered under the surety bond. The Board asked the amount of the bond and how the amount was determined. Staff replied that the bond was for \$70,000 but did not know how that amount was determined. The Board also asked if bond coverage was a requirement. Ms. Mora replied that it was not a requirement but that City staff, including the Finance Director, Human Resources Director and Economic Development Director, strongly recommended that the LVEDC Board continue to carry the coverage.

The Board directed staff to find out how the amount of the bond was determined and what would be covered under the bond and report back at the next meeting.

XV. Staff Report on Economic Development Activity in Leon Valley

Staff reported on the Certificate of Occupancy applications for the month of January. In addition, staff provided information on Wing Daddy's. The business has not applied for a C of O, but they are inquiring about construction and remodeling requirements. Wing Daddy's has signed the lease for the old Texian Restaurant and Cantina location.

Board Member Guerra mentioned that he would like to see the development of a business retention program for Leon Valley.

XVI Future Agenda Items

A.) Work Session(s) on Strategic Plan – Board Secretary Gannon stated that he wanted to see this on the next meeting's agenda so that the Board could work on and perhaps decide on a mission statement.

B.) ICSC RECon (May 2014) – Ms. Mora informed the Board that they needed to determine if they wanted to attend the May conference or focus on the November conference.

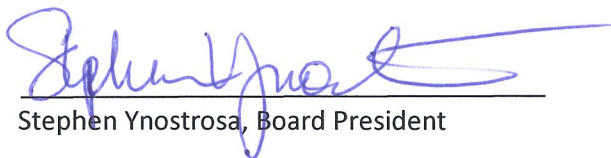
C.) Façade and Signage Program Funding Requests – Staff indicated that if more applications came in by the March 15 deadline, they would be presented at the March 26 meeting.

XVII. Announcements

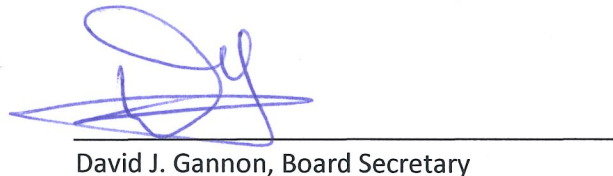
Staff reminded the Board about Earthwise Living Day on March 1 and Pet Adoption Day co-sponsored by Pet's Barn (Leon Valley location) on March 8. In addition, staff informed the Board about Coffee with the Mayor and City Council on March 8, the next City Council meeting on March 10, and the Economic Development Course on April 3. Finally, staff provided a list of dates for the upcoming Sales Tax Training sessions sponsored by TEDC.

XVIII. Adjourn

Board Member Garcia moved to adjourn the meeting. Board Member Guerra seconded the motion. The motion passed by voice vote. Board President Ynostrosa adjourned the meeting at 9:12 p.m.



Stephen Ynostrosa, Board President



David J. Gannon, Board Secretary